THE HOSIERY INDUSTRY

January, 1971

THE

HOSIERY INDUSTRY

January, 1971

Prepared by:

Alan F. Edwards,
Economic Research Branch,
Department of Industry & Commerce
Room 1502 - Centennial Building,
Edmonton, Alberta.

Minister
Hon. F. H. Peacock

Deputy Minister
R. G. McFarlane

TABLE OF CONTENTS

	Page
Introduction	1
Summary	3
Structure of the Industry	5
Demand and Market	17
Imports and Exports	25
Production	31
Labour	35
Freight Rates	37
Appendix	39

INTRODUCTION

This report has been prepared primarily as a source of information on the hosiery industry, with specific attention given to women's nylon hosiery.

A major input to this report is a research paper published in June, 1965 by the Graduate School of Business Adminstration, University of North Carolina. The title of this paper, by C. H. McGregor, is, 'The Hosiery Manufacturing Industry in North Carolina and Its Marketing Problems'. Other sources of information include the following: Department of Industry Trade and Commerce, Ottawa; Dominion Bureau of Statistics; Alberta Bureau of Statistics; Alberta Freight Bureau; periodicals such as 'Canadian Textile Journal' and 'Knitted Outerwear Times'; research conducted by Morris Speizman Company Incorporated, Charlotte, North Carolina; and several retail outlets in the Edmonton area.

SUMMARY

Western Canada is a growing market area. The population in the four western provinces now exceeds 5.6 million with Alberta and British Columbia accounting for almost 2/3 of this total. Alberta's population increased 20 per cent between 1961 and 1970 to a total of 1.6 million. During this same period the population of Canada rose 17 per cent.

Personal income has also increased due to a growing labour force and a rise in per capita income. From 1961 to 1969 total personal income in the four western provinces rose 112 per cent from $7,629 million to $16,199 million. Alberta experienced a higher rate of increase than did Canada during the same period.

Alberta offers a central location in the western Canada market area, which extends from the Pacific Coast east to the Lakehead and north to include the Northwest Territories and the Yukon. There is a large, well trained labour supply in Alberta, and most centres are well serviced with rail, air and highway connections, thus providing ready accessibility to all points in the market area.

Western Canada provides a large market for hosiery. The total expenditure on hosiery in this area in 1970 is estimated to be over $58 million. Of this amount, it is estimated that about $38 million was spent on women's nylon hosiery. This market is largely being served by firms located in eastern Canada. There is one hosiery manufacturing firm in Winnipeg and none west of Winnipeg.

These points indicate a potential manufacturing opportunity; but, due consideration must be given to several other factors. The hosiery manufacturing industry is still a relatively young industry and firms have experienced great difficulty in realizing satisfactory and consistent

returns on investment. Over recent years many small, inefficient establishments have gone out of business, and mergers and consolidations have also reduced the number of establishments in Canada. Several larger, more progressive firms have emerged to take some degree of leadership in the industry and this has added some stability. Generally speaking, those firms in the industry with good management and sound marketing techniques have been able to realize returns comparable with those gained by most manufacturing industries in periods of economic expansion.

STRUCTURE OF THE INDUSTRY

The Canadian hosiery industry is comprised of a number of mills concentrated largely in Ontario and Quebec. These mills are, in some instances, members of large multi-unit organizations. The total number of establishments has been declining, as indicated below.

Table 1: Number of Establishments Classified to the Hosiery Industry in Canada

	1964	1965	1966	1967
Nova Scotia	2	-	-	-
New Brunswick	1	1	1	1
Quebec	100	93	88	78
Ontario	38	38	35	38
Manitoba	1	2	2	2
TOTAL	142	134	126	119

Source: Dominion Bureau of Statistics, Catalogue No. 34 - 215, 'Hosiery and Knitting Mills'.

The decline in the number of establishments producing ladies' nylon hosiery has been consistent with the decline in the number of establishments in the total industry. In 1963, there were approximately 80 such establishments in Canada; 50 in 1967 and approximately 45 in 1968.

Most producers in the hosiery industry tend to limit their lines to a specific segment of the population. For example, women's and men's lines are typically not combined, although there are exceptions, particularly in the firms which have grown through mergers and consolidations. In 1969, a study was conducted encompassing 96 companies in Canada manufacturing men's, ladies', and children's hosiery for the regular commercial market. This study indicated that 71 companies made only one type of hose -- either men's, ladies', or children's. The remaining

firms manufactured two or more types of hosiery in their plants.

Table 2: Number of Companies by Product Line, Canada 1969

Ladies' Hose Only	41
Men's Hose Only	19
Children's and Infants Hose Only	11
Men's, Ladies' and Children's Hose ...	9
Ladies' and Children's Hose	2
Men's and Children's Hose	11
Men's and Ladies' Hose	3
TOTAL	96

Source: '1969 Survey and Analysis of Circular Hosiery Machinery in Canada', Morris Speizman Co. Inc., Charlotte, North Carolina.

Most manufacturers adopt the policy of producing as wide assortments within a line or type as their resources permit. This policy is both possible and desirable, for the following reasons: the same equipment and facilities can usually be utilized for producing different items within a line; product differentiation is gained insofar as competition is concerned; marketing opportunity is widened; and some hedge is afforded against the risks of a decline in the market acceptance of individual items. Because continuous product development is essential, most manufacturers rely upon developments made by other manufacturers, by chemical and machinery supply companies, and by technical institutes, as well as their own ability to introduce innovations. Not unlike other industries, increased emphasis and attention is being placed on research and development in the hosiery industry.

As a rule, hosiery manufacturers adopt multiple-brand policies. That is, they use different brand names on products to represent different quality or price levels as well as to secure wider market

coverage on identical products. Since hosiery manufacturers seek to maximize utilization of their productive facilities and few can sell all their potential output under their own brand names, all manufacturers customarily solicit and accept private brand business. Hosiery sold in this manner bears the brand name of the middleman.

The channels of distribution common in the hosiery industry are: 1) from manufacturer to wholesaler to retailer, and 2) from manufacturer direct to retailer. The key link in the hosiery distribution channel is the retailer, and the degree of success that a manufacturer can achieve is dependent primarily upon what retail middlemen do in the promotion of their products. Direct selling to retailers has been increasing for this reason.

There is much emphasis on price in the hosiery industry. For most hosiery manufacturers it has been very difficult to gain the level of control over price that would be desirable. There has been an almost continuous downward pressure on hosiery prices. One reason is that unused capacity is a normal condition for all producers in certain periods, and as a result a substantial volume of hosiery products are sold at prices little above fixed costs. In addition, most producers use price as a principal appeal in their selling efforts. The common practice of offering periodic special price promotions also results in generally lower prices. The hosiery industry is well aware of the problem of pricing, as the following statement made in 1967 at a Canadian trade marketing seminar indicates: 'The only profitable way for the future must lie in getting better prices for the stockings that are sold. The avenue of opportunity lies in upgrading the product mix at retail'.

As mentioned previously, hosiery manufacturing firms have operated under an almost continuous condition of excess productive capacity.

This is particularly true in the United States where the hosiery industry has experienced a relatively low rate of growth in output. Usually the output of firms manufacturing consumer goods grows with population and per capita income increases. However, in the United States, the average annual rate of growth in output in the hosiery industry between 1945 and 1965 was only 1.69 per cent.

The problem of excess productive capacity has also been common in the Canadian hosiery industry, even though a better growth rate in output is evident. Factory shipments of all types of hosiery increased almost 75 per cent between 1957 and 1967. During the same period, factory shipments of women's nylon hosiery increased approximately 130 per cent.

The problems which typify the structure of the hosiery industry are partly due to the relative immaturity of the industry, but a more important cause has been the production-oriented viewpoint taken by managements within the industry. In recent years, as the industry has matured and the importance of marketing factors has been recognized, the severity of these problems has diminished. Also, several larger firms have emerged to take some degree of leadership and this has added stability to the industry.

The hosiery industry is becoming more concentrated, with the larger companies accounting for a progressively greater proportion of its aggregate output. In the past few years there have been many revolutionary changes in technology and styling which have added to the complexity of the business. Some examples are: the development and rapid acceptance of pantyhose; the increase in the number of feeds on circular seamless hosiery machines; the improved know-how in the knitting of fine yarns; the range of fibres and yarns used; and, the frequency and size of seasonal lines.

Table 3: ESTABLISHMENTS CLASSIFIED TO THE HOSIERY INDUSTRY IN CANADA, 1969

Name and Location:

Nova Scotia
*-Federal Products Ltd., 69 Wood Street, Truro

New Brunswick
-Sheer Silk Hosiery Mills Ltd., Sussex

Quebec
-Ann Hosiery Mfg. Co., 190 Rockland Rd., Montreal
-Astor Hosiery Mills Ltd., 4000 Courtrai Ave., Montreal
* -Atlantic Hosiery Mills Ltd., 9010 St. Lawrence Blvd., Montreal
* -Aurizona Hosiery Reg'd., rue Principale, Richmond
* -Avalon Hosiery Ltd., 5090 Hochelage St., Montreal
* -Barbara Hosiery Mills Ltd., Collin & St. Paul St., St. Jean
* -Bella Hosiery Mills Ltd., 183 Bates Rd., Montreal
* -Biron, H.N. & Fils Inc., 120 Notre Dame St., Nicolet
* -Broadway Hosiery Mills Ltd., 9050 Park Ave., Montreal
* -Burlington Industries (Canada) Ltd., 130 St. Joseph Blvd., Lachine
-Burlington Industries (Canada) Ltd., Carnation St., Waterloo
* -Canada Hosiery Mills Ltd., 170, rue Gouin, Richmond
* -Canadian Converters Co. Ltd., 201 Ellice St., Valleyfield
-Clarice Hosiery Mills Ltd., 6750 Esplanade, Montreal
-Conan Hosiery Reg'd., The 470, rue Cartier, Joliette
* -Crystal Hosiery Mills Ltd., 6600 St. Urbain St.; Montreal
-Demiron Hosiery Mills Ltd., 230 Guizot Street, Montreal
-Doris Hosiery Mills Ltd., 7403 Dante Ave., Ville-St-Michel
* -Drummond Hosiery Co. Ltd., 715, rue St-Pierre, Drummondville
* -Elite Hosiery Mills Ltd., 8815 Park Ave., Montreal
* -Excel Hosiery Ltd., Mont Joli
* -Flamingo Hosiery Mfg. Co., 358 St. Peter St., Montreal
* -Frances Products Ltd., 2525 Sylva-Clapin St., St-Hyacinthe
-Gentilly Knitting Mills Inc., Gentilly
* -Giltex Hosiery Ltd., 550 Beaumont Ave., Montreal
-Hanson Mills Ltd., 82 Front St., Hull
-Harvard Hosiery Ltd., 1230 Vincent Massey, Quebec
* -Hollywood Hosiery Mills Ltd., 6815 St-Urbain St., Montreal
* -Hudson Hosiery Ltd., 5090 Hochelaga St., Montreal
* -Illusion Hosiery Ltd., 3508 Albert St., Montreal
-Imperial Hosiery Co., 9010 St. Lawrence Blvd., Montreal
-Inka Hosiery Mills Ltd., 3200 Place de Chazel, Montreal
-Irene Hosiery Mills, 10 East Villeneuve St., Montreal
-Josephine Hosiery Mills Inc., 5605 De Gaspe St., Montreal
-Kayser Roth of Canada, 245 Frontenac St., Sherbrooke
* -Kennebec Knitting Mills Ltd., Pintendre
-Kentex Hosiery Mills Ltd., 6633 Jeanne-Mance St., Montreal
* -Lamour Hosiery Mfg. Co., 55 Louvain St. W., Montreal
* -Lily Hosiery Mfg. Co., 7080 Hutchison St., Montreal
-Marvel Knitting Co., 6600 St-Urbain, Montreal
-Maska Diamond Socks Reg'd., St-Zephirin-de-Courval
-Mayfair Knitttings Mills Ltd., 9500 St. Lawrence Blvd., Montreal
-Majestic Knitting Ltd., 2525 Bourdages Nord, St-Hyacinthe
* -Mondor Hosiery Ltee, 785, rue Mercier, Iberbille
-Movie Star Lingerie Inc., 120 Louvain St. W., Montreal
-Multex Corporation, 9010 St. Lawrence Blvd., Montreal
-North Celtic Knitting Mills Co., 190 Rockland Ave., Montreal
-Olympic Knitting Mills Ltd., 55 Louvain St. W., Montreal
-Perma-Knit Ltd., 9000 Park Ave., Montreal
* -Plessisville Hosiery Ltd., 2009 St-Calixte, Plessisville
-Polaris Hosiery Reg'd., 1070 Bleury St., Montreal
-Prestige Knitting Mills Ltd., 2375 Ekers St., Montreal
* -Princeville Hosiery Mills Ltd., 200 Racine, Princeville
* -Reliable Hosiery Mills Ltd., 3785 Park Ave., Montreal
* -Reputation Hosiery Mills Ltd., 2795 Bates Rd., Montreal
-Richelieu Knitting Reg'd., 147, rue Victoria, Sorel
-Rosemont Hosiery Inc., 137, rue Cousins, St-Jean
* -Rosita Hosiery Mills Ltd., 5660 Louis-Hebert St., Montreal
* -Sheer Silk Hosiery Mills Ltd., 181 Belvedere St. N., Sherbrooke
-Shirley's Hosiery Co., 6315 St-Urbain St., Montreal
-Siebruck Hosiery Ltd., 2209 Dandurand St., Montreal

Table 3 (continued) ESTABLISHMENTS CLASSIFIED TO THE HOSIERY INDUSTRY IN CANADA, 1969

Name and Location:

Quebec

* -Somerset Hosiery Mills Reg'd., 1573 Savoie St., Plessisville
* -Splendid Hosiery Mills Inc., 2550 Bates Rd., Montreal
* -Teresita Hosiery Ltd., 2015 Clark St., Montreal
* -Three Star Hosiery Manufacturing Ltd., 5176 Henri-Julien St., Montreal
-Tricot Princess Inc., 700 St-Henri, Princeville
-Tricot Star Co., 5335 St. Lawrence Blvd., Montreal
* -Turntex Mills Ltd., 666 St. Urbain St., Montreal
* -United Hosiery Mills Ltd., 7095 Marconi St., Montreal
-Universal Hosiery Ltd., 9200 Park Ave., Montreal
* -Victoria Hosiery Mills Ltd., 920 Aubry St., St-Jean
* -Victory Hosiery Mills Ltd., 2445 Notre-Dame St., St-Hyacinthe
* -Vogue Hosiery Mills Ltd., 1145 - 2nd Street Richelieu
-Windsor Hosiery Mills Inc., 2035 Desjardins St., Montreal
-Worth Wear Hosiery Mills Ltd., 3895 Lesage St., Verdun
-ZBM Knitting Mfg., 400 Atlantic Ave., Montreal

Ontario

-AC Hosiery Finishing Co., 306 Lake Ave. N., R.R. #5, Hamilton
-Allen Bros. Co. Ltd., Hanover
-Beaumont Knitting Co. Ltd., The, 586 Main St., Glen Williams
-Berson Hosiery Mfg. Ltd., 82 Spadina Ave., Toronto
-Brian Knitting Co., 16 Hart Ave., Scarborough
-Crattex Hosiery Mills Ltd., 361 Sorauren Ave., Toronto
-Croydon Hosiery Mills, 48 Hyde Ave., Toronto
-Dominion Hosiery Mills, 156 Pearl St., Toronto
-Empire Hosiery Ltd., 260 Richmond St. W., Toronto
-Field, J.G. & Co. Ltd., 199 Hope St. E., Tavistock
-Glen Knitting Mills (1965) Ltd., 12 Armstrong Ave., Georgetown
-Gorman Knitting Mills Ltd., 1360 Birchmount Rd., Scarborough
* -Hanes of Canada Ltd., 8 Tidemore Ave., Rexdale
* -Harvey Woods Ltd., 18 Vansittart St., Woodstock
-Herbert Hosiery Mills of Canada Ltd., 425 Coxwell Ave., Toronto
* -Imperial Knitting Mills Ltd., 256 Eddystone Ave., Downsview
-Jackson Hosiery, 3 Ostrander, Georgetown
-Kaylee Textiles Limited, 134 Mary St., Hamilton
* -Kayser Roth of Canada Ltd., 203 Bathurst St., London
-Kinsell & Wright Ltd., 280 Donlands Ave., Toronto
* -London Hosiery Mills Ltd., 646 Adelaide St., London
-McCaul Knitting Mills Ltd., William St., Shelburne
-McCormack Mfg. Co., 675 King St. West, Toronto
-McGregor Hosiery Mills Ltd., 30 Spadina Ave., Toronto
-Marla Hosiery Mill, 37 Victoria Ave., Georgetown
-Montex Apparel Industries Ltd., 34 Page St., St. Catharines
-Ontario Hosiery Mfg. Co. Ltd., 675 King St. W., Toronto
* -Paquette, E.E. & Sons Ltd., 311 Dundas St., Woodstock
* -Par Knit Hosiery Ltd., Main St., Clinton
-Penmans Ltd., (No. 1 Mill), West River St., Paris
-Perfect Hosiery Mfg. Co., 420 Gilbert Ave., Toronto
-Rennie Industries Ltd., 512 Woolrich St., Guelph
-Royal Knitting Co. Ltd., 41 Norwich St. E., Guelph
-Sheer Mist Hosiery Ltd., 3110 Warton Way, Cooksville
-Supreme Knitting Mills, 43 Davies Ave., Toronto
* -Susan Hosiery Ltd., 78 Colville Rd., Toronto
-Tarud Hosiery Mills Ltd., 44 Samor Rd., Toronto
-Thornton, D.R. Knitting Mills, 523 Norwick Ave., Woodstock
* -Vagden Mills Ltd., 111 Bay Dr., Belleville
-Walker Knit Hosiery, 29 Kennedy Ave., Ryckmans's Corner
-Werstretch Ltd. & Company, 315 Albany Ave., Toronto

Manitoba:

* -Doris Hosiery (Western) L d., 1040 St. James St., Winnipeg
* -Sheer Mist Hosiery Ltd., 1136 Sanford St., Winnipeg

Source: Dominion Bureau of Statistics
Catalogue No. 34-215 "Hosiery and Knitting Mills"

* These firms are listed in the 1969 Canadian Trade Index as manufacturers of nylon hosiery.

Since 1969 both of the firms shown as being located in Manitoba in Table 3 have undergone changes. Doris Hosiery Ltd. consolidated operations in Quebec, and Sheer Mist Hosiery Ltd. consolidated operations in Winnipeg, Manitoba. Sheer Mist now operates the only women's hosiery plant in Western Canada. They appear able to compete successfully with eastern and foreign manufacturers, as their increased sales have made an expansion program necessary.

Table 4 shows the factory shipments of goods of own manufacture for selected years. The volume of shipments of hosiery increased about 75 per cent between 1957 and 1967, but the value of these shipments increased only about 33 per cent during the same period.

Table 4: Shipments of Hosiery of Own Manufacture - Canada - Selected Years

	1957		1960		1967	
	Quantity	Value	Quantity	Value	Quantity	Value
	doz. pr.	$'000	doz. pr.	$'000	doz. pr.	$'000
Nylon Hosiery:						
Women's Seamless	1,564,231	10,096	5,838,433	29,455	11,942,720	44,798
Full Fashioned	3,696,387	23,578	1,598,483	8,544	107,183	1,031
Greige (undyed and unfinished)			771,188	2,329		
Total - Women's Nylon Hosiery	5,250,618	33,674	8,208,104	40,338	12,049,903	45,829
Total - All Hosiery	10,293,796	58,570	13,395,099	67,652	18,000,931[1]	78,111
Women's Nylon Hosiery as a % of All Hosiery	51	57	61	60	67	59

1 excluding greige hosiery

Source: Dominion Bureau of Statistics, Catalogue No. 34 - 215, 'Hosiery and Knitting Mills'.

From Table 4 it can be seen that women's nylon hosiery constituted only 51 per cent of the quantity of total hosiery shipments in 1957 but, by 1967, had increased to 67 per cent. During this ten year period, the value of shipments of women's nylon hosiery as a per cent of total value of hosiery shipments remained almost constant. The value firms received for their shipments of women's nylon hosiery increased only because of the large growth of these shipments. Table 5 shows that the average value per pair dropped from $0.53 to $0.32 between 1957 and 1967.

Table 5: Average Value Per Pair of Factory Shipments of Selected Hosiery Types for Selected Years - Canada

	1957	1960	1967
Women's Nylon Hosiery	$0.53	$0.41	$0.32
Hosiery, Excluding Women's Nylon	$0.41	$0.44	$0.45
All Types of Hosiery	$0.47	$0.42	$0.36

Source: Dominion Bureau of Statistics, From Table 4: quantity in pairs divided into value to get average value per pair of factory shipments.

Table 6 presents selected principal statistics for hosiery mills for the years 1966, 1967 and 1968. As the number of establishments decreased from 126 in 1966 to 116 in 1968, the average number of total employees per establishment increased from 58 to 67. During this same period the average number of production and related workers increased from an average of 52 per establishment to an average of 61 per establishment. It should be noted that the value of shipments in this table includes some products other than hosiery - for example, knitted sweaters and knitted gloves and mittens. This accounts for the difference between the 1967 value of shipments figure given in this table and the amount given in Table 4.

Table 6: Selected Principal Statistics - Hosiery Mills - Canada

Selected Principal Statistics		1966	1967	1968^{p}	% Change 1967-1968
Establishments	No.	126	119	116	-2.5
Manufacturing Activity					
Production & Related Workers	No.	6,600	6,581	7,110	+8.0
Man-hours paid	'000	14,139	14,246	15,198	+6.7
Wages	$'000	20,712	22,104	24,791	+12.2
Cost of materials & supplies	$'000	39,183	42,311	51,077	+20.7
Value of shipments	$'000	82,337	88,157	105,423	+19.6
Value added	$'000	43,726	45,551	55,181	+21.1
Total Activity					
Total employees	No.	7,303	7,229	7,822	+8.2
Total salaries and wages	$'000	25,022	26,337	29,287	+11.2
Total value added	$'000	44,167	46,243	55,577	+20.2

^{p}preliminary

Source: Dominion Bureau of Statistics,
Catalogue No. 34 - 215, 'Hosiery and Knitting Mills'.

The following three tables, by categorizing the number and type of hosiery machinery in use, present a further measure of the size of the industry and of the size of plants within the industry. Table 7 indicates that the average plant in the Canadian hosiery industry in 1969 had 114 hosiery machines. The largest plant had 656 machines while the smallest 43 plants had an average of 45 machines each. Likewise, Table 8 indicates that the average plant producing ladies hosiery had 142 machines. The size of plant ranged from an average of 50 machines among the 18 smallest mills up to 656 machines for the largest plant. Table 9 reveals that the majority of ladies' seamless hose machines used are 1-feed or 2-feed. The trend, although it does not show up in this table, is towards multiple-feed equipment -- especially in the more progressive plants.

Table 7: Hosiery Industry - Manufacturers by Size of Plant* - Canada - 1969

Size of Company	Number of Companies	Mills Operated	Quantity of Machines	% of Total Machines
500 - 900 machines	1	1	656	6.5%
160 - 900 machines	18	20	4,933	48.6%
101 - 159 machines	24	25	2,649	26.1%
Up to 100 machines	43	43	1,919	18.8%
Totals	86	89	10,157	100.0%

Table 8: Ladies Hosiery Manufacturers by Size of Plant* - Canada - 1969

Size of Company	Number of Companies	Mills Operated	Quantity of Machines	% of Total Machines
500 - 900 machines	1	1	656	11.0%
160 - 499 machines	12	13	3,006	50.3%
101 - 159 machines	10	10	1,420	23.8%
Up to 100 machines	17	18	893	14.9%
Totals	40	42	5,975	100.0%

* Source: '1969 Survey and Analysis of Circular Hosiery Machinery in Canada', Morris Speizman Co. Inc., Charlotte, North Carolina.

Table 9: Ladies' Seamless Hose Machines - Canada - 1969

	1-Feed	2-Feed	3-Feed	4-Feed	6&8 Feed	Total
S & W	1,373	325	-	-	-	1,698
Banner	4	-	-	-	-	4
Bentley	629	495	-	-	-	1,124
Bertolini	-	10	-	-	-	10
Singer Fidelity	-	192	-	407	-	599
Irmac	-	3	20	-	-	23
Kovo	-	282	-	94	-	376
Lonati	-	39	-	-	189	228
Matex	79	23	-	-	-	102
Moretta	-	25	-	-	-	25
O. M. C.	90	-	-	-	-	90
Samo	-	-	27	-	260	287
Santoni	334	22	3	-	167	526
Textile Machine Works (Reading)	-	290	-	181	25	496
Texmacor	1	-	-	-	-	1
Toone	46	-	-	-	-	46
Zodiac	-	-	-	136	204	340
TOTALS	2,556	1,706	50	818	845	5,975

Source: '1969 Survey and Analysis of Circular Hosiery Machinery in Canada', Morris Speizman Co. Inc., Charlotte, North Carolina.

DEMAND AND MARKET

The basic reasons for using hosiery are social requirements, comfort, protection and appearance. The relative importance of each of these varies with social status, age, sex, occupation and place of abode, as well as with the purpose for which the products are to be used. As a consequence, the motives governing the purchase of hosiery differ widely not only between groups of the population but also between individuals.

By and large, hosiery has come to be accepted as commonplace. This is because most people wear hosiery every day and because it can be purchased readily and conveniently at a relatively low price. A number of consumers hold the attitude that all hosiery products are about the same regardless of price line or brand name. This is due to consumer inability to evaluate quality differentials, variable experience with the same brand, and identical experience with products in different price ranges.

Three-fourths or more of all hosiery products are purchased by women, and the majority buy in the manner that requires the least time and effort. Most seem to purchase the same brand repeatedly in the same types of outlets if they have had reasonable satisfaction in the past. Most consumers buy on a brand basis primarily because a brand name is the only standard of which they are aware, and buying in this manner is usually the easiest course of action. Brand preference can be readily transferred. Many women will try a new brand on the recommendation of a friend, and, if satisfied, will stay with the new brand until further strong recommendations are made or dissatisfaction occurs.

Several recent trends have had a bearing on the nylon hosiery segment of the industry. One is the dynamic growth of pantyhose sales. Pantyhose production in the United States in 1969 represented about 30 per cent of women's hosiery volume, according to some trade sources. It is expected that within the next half decade, pantyhose will account for upwards of 75 per cent of the industry's annual output. Some in the business think that pantyhose will eventually completely replace the standard stocking, while others contend that demand for the standard stocking will not disappear but will gradually dwindle to levels substantially below the present volume. These people see the demand continuing for three types of regular stockings: 1) replaceable stockings to go with panty girdles, 2) highly styled, specially patterned stockings for special occasions, and 3) garterless stockings for women who feel encumbered by pantyhose.

The mini skirt also affected the industry. Naturally, with increased attention being drawn to their legs, women are more selective when making hosiery purchases. Another factor is that small runs or other defects in the nylon which may have been hidden and thus tolerated in the past may now, because of mini skirts, be readily apparent, thus causing earlier rejection of the stocking and decreasing the average interval between purchases. The emphasis on the total co-ordinated look has also been a boon to the industry. Many women purchase a wide variety of colors so they can match any outfit they own. This practice increases the average stock on hand.

There are also trends which may have a negative impact on the industry. One is the increased acceptance and use of slacks and pantsuits.

Most establishments are now accepting fashionable pant suits as appropriate dress. Some hospitals and other institutions are allowing pantsuit uniforms. While wearing slacks does not preclude the wearing of nylon hosiery, it does make it more optional. In addition, women do not always demand as high a quality of hosiery if it is to be worn primarily under slacks. In fact, old hosiery, no longer considered suitable for wear with a skirt, will often have its life prolonged by use under slacks.

The midi will have some effect on the hosiery industry, although at this time it is still hard to speculate what it will be. One effect is that relatively dark coloured hosiery is common with the midi. Because darker hose shows 'lines' more readily than lighter coloured hose if it is of poor quality, the demand should be for hose of at least average quality.

Although the importance of the ultimate consumer cannot be over-stated, hosiery manufacturers are primarily and directly concerned with the immediate demand exercised at the manufacturing level. The customers at this level are principally merchant middlemen, other manufacturers, converters, and exporters, all of whom buy hosiery for resale. The attitudes trade buyers hold with respect to hosiery stem basically from the significance of these products in their total product mix and the profit potentialities which they are believed to afford.

Total consumer demand is necessarily dependent upon three primary factors: 1) the number of potential consumers, 2) the extent of their hosiery wants and needs, and 3) the amount of money they are able and willing to spend in satisfying these needs and wants.

The number of potential customers for hosiery can be seen in

the population figures presented in Table 10. The number of potential customers for women's nylon hosiery is more accurately indicated by Table 11, which shows the number of females in selected age groups for both Canada and the western provinces in 1966, the latest census year, and in 1970.

Table 10: Population of Canada and Western Provinces, Selected Years

	1956	1961	1966	1967[e]	1968[e]	1969[e]	1970[e]
				(thousands)			
Canada	16,081	18,238	20,015	20,405	20,744	21,061	21,377
Manitoba	850	922	963	963	971	979	981
Saskatchewan	881	925	955	958	960	959	942
Alberta	1,123	1,332	1,463	1,490	1,526	1,561	1,600
British Columbia	1,398	1,629	1,874	1,947	2,007	2,067	2,137
Western Canada	4,252	4,808	5,255	5,358	5,464	5,566	5,660

[e] Estimated

Source: Dominion Bureau of Statistics.

Table 11: Number of Females, Canada and Western Provinces, Selected Age Groups, 1966 and 1970

	1966		1970[e]	
	15-59	10-79	15-59	10-79
Canada	5,585,230	7,607,460	6,212,700	8,451,000
Manitoba	268,128	363,888	278,700	387,400
Saskatchewan	261,130	354,391	256,000	360,300
Alberta	401,496	544,888	450,900	610,100
British Columbia	518,050	703,068	616,200	839,200
Western Canada	1,448,804	1,966,235	1,601,800	2,197,000

[e] Estimated

Source: Dominion Bureau of Statistics.

Consumer demand is normally deferrable over an appreciable span of time because most consumers maintain a stock of hosiery on hand in excess of current needs. The number of pairs of hosiery needed or desired in the wardrobes of most consumers reaches an early satiation point. Although price reductions may induce advance purchasing or the purchase of multiple rather than single units, neither of these results in an increase in the total quantity of hosiery demanded, unless the hosiery is not used or maintained as carefully as before. In other words total hosiery demand is merely shifted by price reductions rather than increased. Although total demand may not increase, individual manufacturers or middlemen normally experience an increase in sales volume if they reduce their price below that of their competitors. This increase is usually only temporary, however, for competitors can be expected to meet or better the price very quickly.

The following two tables present estimates of the expenditure on hosiery and women's nylon hosiery in Canada and western Canada for selected years. The total estimated expenditure on hosiery in Canada increased approximately 55% between 1957 and 1967, and the total estimated expenditure on women's nylon hosiery increased about 56% during the same period. The estimated expenditure on women's nylon hosiery amounts to about 65% of the total expenditure on all hosiery.

Table 12: Estimated Expenditure on Hosiery, Canada, Selected Years

	1957	1964	1967	1970*
Population[1]	16,610,000	19,290,000	20,405,000	21,377,000
Average Size of Family[1]	3.8	3.9	3.9	3.9
Approximate Number of Families	4,371,000	4,946,000	5,232,000	5,481,000
Average Urban Family Expenditure on Women's Nylon Hosiery[2]	$19.70	$22.30	$25.70	$25.70
Average Urban Family Expenditure on all Hosiery[2]	$30.50	$33.50	$39.40	$39.40
Total Estimated Expenditure on Women's Nylon Hosiery	$86,108,700	$110,295,800	$134,462,400	$140,861,700
Total Estimated Expenditure on All Hosiery	$133,315,500	$165,691,000	$206,140,800	$215,951,400

1 Source: Dominion Bureau of Statistics.

2 Source: Dominion Bureau of Statistics,
Catalogue No. 62 - 517, 'City Family Expenditures, 1957'.
Catalogue No. 62 - 527, 'Urban Family Expenditures, 1964'
'Urban Family Expenditures, 1967'.

* NOTE: The total estimated expenditures in this column are based on the 1967 average urban family expenditure figures.

Table 13: Estimated Expenditure on Hosiery, Western Canada, Selected Years

	1957	1964	1967	1970*
Population[1]	4,388,000	5,148,000	5,358,000	5,660,000
Average Size of Family[1]	3.6	3.7	3.8	3.8
Approximate Number of Families	1,219,000	1,391,000	1,410,000	1,489,000
Average Urban Family Expenditure on Women's Nylon Hosiery[2]	$19.70	$22.30	$25.70	$25.70
Average Urban Family Expenditure on all Hosiery[2]	$30.50	$33.50	$39.40	$39.40
Total Estimated Expenditure on Women's Nylon Hosiery	$24,014,300	$31,019,300	$36,237,000	$38,267,300
Total Estimated Expenditure on All Hosiery	$37,179,599	$46,598,500	$55,554,000	$58,658,600

1 Source: Dominion Bureau of Statistics.

2 Source: Dominion Bureau of Statistics,
Catalogue No. 62 - 517, 'City Family Expenditures, 1957',
Catalogue No. 62 - 527, 'Urban Family Expenditures, 1964'
'Urban Family Expenditures, 1967'.

* Note: The total estimated expenditures in this column are based on the 1967 average urban family expenditure figures.

Hosiery purchases account for only a small portion of the consumer's total clothing budget. In 1957 expenditure by the average urban family on hosiery amounted to about 7 per cent of their expenditure on clothing. By 1967, only 6 per cent was comprised of hosiery. During this ten year period the average urban family expenditure on clothing increased about 56 per cent, while the expenditure on hosiery increased

29 per cent. Because the annual dollar value of a family's hosiery purchases appears to remain relatively constant over a period of time, the industry must rely primarily upon population growth for increased unit demand. The population of western Canada has grown steadily, (see Table 10), and is expected to exceed 6.5 million by 1980. This fact alone should insure a continual growth in this market area for hosiery products.

IMPORTS AND EXPORTS

The large increase in the quantity of hosiery imports to Canada between 1967 and 1969 amounted to 1,175,555 dozen pairs which is 318 per cent above the 369,358 dozen pairs imported in 1967. The value of these imports, during the same period, increased $5,480,000 or 240 per cent above 1967 values.

The quantity and value of hosiery exports also increased between 1967 and 1969. The quantity of exports rose by 247,684 dozen pairs and the increase in value was $1,553,000. These figures are 94 per cent and 197 per cent over the 1967 figures.

Imports of ladies' hosiery (seamless or full-fashioned) jumped rapidly between 1967 and 1969. The increase of 445,222 dozen pairs is 850 per cent over imports in 1967. The value of these imports rose $1,865,000 or 478 per cent during this short period. Exports of ladies' hosiery remained relatively constant in these years. Only a slight decrease is evident. Imports and exports of hosiery are equal to only a small portion of total factory shipments of hosiery in Canada. The following tables show the import/export situation for the hosiery industry.

Table 15: Imports of Hosiery,- Canada, 1967 - 1969

Import Class	Commodity	1967 Quantity	1967 Value	1968 Quantity	1968 Value	1969 Quantity	1969 Value
		doz. pr.	$'000	doz. pr.	$'000	doz. pr.	$'000
785-22	Mens and boys, wool	155,853	1,138	150,659	940	148,349	1,006
785-24	Mens and boys, man-made fibres	56,259	308	78,633	361	139,461	552
785-25	Mens and boys, n.e.s.	20,217	115	20,977	110	20,399	115
785-35	Seamless or Full-fashioned	52,370	390	217,238	1,251	497,592	2,255
785-39	Womens and girls, n.e.s.	15,916	87	120,890	653	693,011	3,688
785-49	Childrens and infants	68,743	258	54,972	191	46,101	160
	Total - Hosiery	369,358	2,296	643,369	3,506	1,544,913	7,776

Source: Dominion Bureau of Statistics, Catalogue No. 65 - 007, 'Imports by Commodities'.

Table 16: Exports of Hosiery - Canada, 1967 - 1969

Export Class	Commodity	1967 Quantity	1967 Value	1968 Quantity	1968 Value	1969 Quantity	1969 Value
		doz. pr.	$'000	doz. pr.	$'000	doz. pr.	$'000
785-35	Seamless or Full-Fashioned	236,785	659	187,358	507	219,760	612
785-59	Hosiery, n.e.s.	27,004	130	35,574	158	291,713	1,730
	Total - Hosiery	263,789	789	222,932	665	511,473	2,342

Source: Dominion Bureau of Statistics, Catalogue No. 65 - 004, 'Exports by Commodities'.

Table 17: Imports of Ladies Hosiery - Canada, 1967 - 1969

Ref: D.B.S. Import Class 785 - 35, 'Hosiery, Seamless or Full-Fashioned' (includes 'Supp' Hose type)

	Quantity (dozen pairs)			Value ($'000)		
Origin	1967	1968	1969	1967	1968	1969
United Kingdom	15,397	154,718	428,082	93	900	1,880
Ireland	-	-	38,015	-	-	97
France	5,219	5,962	4,033	42	40	22
West Germany	1,421	9,532	4,882	8	70	33
Israel	973	-	-	2	-	-
Italy	1,439	1,037	749	6	6	4
Netherlands	1,160	712	1,594	5	4	9
Spain	-	-	2,016	-	-	11
United States	26,661	45,277	18,221	233	232	201
	52,370	217,238	497,592	390	1,251	2,255

Source: Dominion Bureau of Statistics, Catalogue No. 65 - 007, 'Imports by Commodities'.

Note: Columns may not add due to rounding.

N.B. - Note that in 1969 the classification includes panty hose for the first time. While no specific information is available for 1968 it appears that at least recent imports of these are substantial and emanate largely from the United Kingdom.

Table 18: Exports of Ladies Hosiery - Canada, 1967 - 1969

Ref: D.B.S. Export Class 785 - 35, 'Hosiery, Seamless or Full-Fashioned' (includes 'Supp' Hose type)

Destination	Quantity (dozen pairs) 1967	1968	1969	Value ($'000) 1967	1968	1969
United Kingdom	590	-	-	2	-	-
Ireland	-	-	33,898	-	-	74
Belgium-Luxembourg	-	129	483	-	1	6
Denmark	-	-	24	-	-	
West Germany	148	1,104	145	3	10	3
Italy	2,755	803	1,424	54	16	25
Norway	154	10	14	2		
Sweden	-	-	10	-	-	
Trucial States	-	350	-	-	1	-
Lebanon	-	600	-	-		-
Mauritius - Dep.	-	100	-	-		-
Kenya	900	-	-	3	-	-
Uganda	324	-	-	1	-	-
Rep. South Africa	-	53	-	-	1	-
Sierra Leone	-	-	125	-	-	
Hong Kong	620	14	-	2		-
Singapore	-	39	-	-	1	-
Japan	200	-	-	1	-	-
Australia	90,256	53,248	1,090	211	116	5
New Zealand	-	-	120	-	-	1
Guyana	8,217	8,574	10,723	22	18	20

continued . . .

Destination	Quantity (dozen pairs) 1967	1968	1969	Value ($'000) 1967	1968	1969
Brazil	-	1,740	122	-	5	
Bolivia	400	-	-	2	-	-
Surinam	735	385	-	2	-	-
Uruguay	-	100	-	-		-
Venezuela	195	320	1,567	2	4	24
Bahamas	15,545	21,956	56,529	35	50	130
Bermuda	13,214	13,751	15,043	27	30	41
Br. Honduras	601	2,033	1,058	2	7	3
Barbados	17,262	16,695	15,001	41	34	30
Jamaica	3,829	2,412	64	24	13	
Leew-Wind Is.	7,191	10,244	3,223	18	29	8
Trinidad-Tobago	36,205	3,311	1,144	80	10	3
Haiti, Rep. of	-	142	-	-		-
Honduras, Rep.	-	40	33	-		
Mexico	9,031	2,003	1,525	30	7	4
Neth. Antilles	4,735	10,750	9,741	12	35	23
Panama	15,122	18,000	7,954	49	58	24
U.S. Virgin Is.	-	-	210	-	-	1
St. Pierre-Miq.	-	-	10	-	-	
United States	8,392	18,452	58,380	34	58	182
	236,785	187,358	219,760	659	507	612

Source: Dominion Bureau of Statistics, Catalgue No. 65 - 004, 'Exports By Commodities'.

Note: Columns may not add due to rounding.

PRODUCTION

The production of the more important types of hosiery on a large scale basis is a complex and intricate operation, and requires not only a large investment in production facilities, but also a high degree of skill on the part of key personnel as well as precise control of all manufacturing and finishing processes.

The manufacture of hosiery on a factory basis involves two basic processes, knitting and finishing. Nylon yarns are used almost exclusively in the manufacture of women's full-length hosiery, but both synthetic and natural yarns are used in other types. The synthetic yarns are primarily rayons and acetates and the natural materials used are cotton, silk, and wool. The yarns used in knitting may be of the color desired in the final product, but most of those used in hosiery production are 'natural' and must be dyed after the product is knitted. Nylon hosiery manufacturers do not make their own nylon yarn but purchase it principally from either Dupont of Canada Limited, or Courtaulds (Canada) Limited.

In every step of the manufacturing process, beginning with the selection and preparation of the yarns for knitting and ending with the final boxing of the products, hosiery is subjected to a number of conditions that may cause product defects. Thorough and almost continuous inspection is imperative. As a consequence, highly developed quality control programs are an essential part of hosiery production in the more progressive plants.

In the manufacture of nylon hosiery, the main item of equipment is the circular knitting machine. These machines are not made in

Canada but are manufactured in the United States and in several European countries including England, West Germany, France, and Switzerland. Dyeing, finishing, and packaging equipment are also required. A few larger mills have completely integrated facilities, i.e., knitting, dyeing, finishing, packaging. However, the great majority of the mills (small ones) have their production dyed and finished by outside firms. This is one of the reasons why production units have tended to concentrate in limited geographical areas.

The rate of obsolescence in knitting equipment is one factor which accounts for differences in productive ability. Although most of this equipment has long life insofar as physical ability to produce is concerned, any new development in machinery which makes for increased productive efficiency or the manufacture of higher quality products causes some obsolescence in installed equipment. Also, new product developments or innovations may require the replacement of knitting equipment or the purchase of attachments and other modifications. Thus, when one manufacturer adopts improved equipment or processes which result in more efficient production or better products, competitors must also do so or operate at a competitive disadvantage.

One other problem affecting hosiery production and supply is vulnerability to increased labour costs. Labour costs are reported to constitute from two-fifths to over a half of the value of finished products and they are subject to forces that result in almost continuous increases. As a consequence, hosiery manufacturers are extremely conscious of labour costs since few are in a position to absorb these

and fewer are able to pass them on in their selling prices. New developments in machinery and processes have eased the impact of labour costs but it is still a factor to be reckoned with.

LABOUR

The province of Alberta has a record of labour peace. Industrial disputes have been rare and insignificant in the past ten years. Fewer man days have been lost in Alberta through work stoppages in relation to industrial working time than in any other province.

Of particular interest to firms considering Alberta as a location for a hosiery manufacturing plant is a special order of the Alberta Labour Act which governs minimum wages in the garment industry. Under this order, garment manufacturers are allowed to pay inexperienced employees $1.30 per hour for the first four weeks of employment and $1.45 per hour for the second four weeks. Following this, the minimum wage of $1.55 per hour must be paid. As the <u>intent</u> of this order is to assist manufacturers of wearing apparel, a hosiery manufacturer would in all likelihood gain this concession. A copy of this order extracted from the Alberta Gazette, April 30, 1970 can be found in the Appendix.

The clothing industry will be used in this section to compare labour costs because there are no hosiery manufacturers in Alberta and because comparative wages probably prevail for many positions.

The average hourly wage[1] paid to the production worker employed in the clothing industry in Alberta in 1966 was $1.38. This is 8.0 per cent lower than in Quebec, 14.8 per cent lower than in Ontario, and 15.9 per cent lower than the average wages paid to production workers in the clothing industry in British Columbia. The level of labour productivity (manufacturing value-added per employee) in the clothing industry in Alberta is higher than the level of labour productivity in

---

[1] Source: Dominion Bureau of Statistics, Catalogue No. 31 - 203 to Catalogue No. 31 - 208, 'Manufacturing Industries of Canada'.

the clothing industry in Canada as a whole. In Alberta, the manufacturing value-added per administrative and production employee in 1966 was $6,227 while the corresponding figure for Canada was $5,492.

There is an adequate labour pool in Alberta from which production workers may be drawn. Table 19 presents data on the labour force in Alberta. The participation rates of men and women in the labour force are 76.4 per cent and 38.1 per cent respectively

Table 19: Labour Force and Related Data, Alberta

(in thousands)

	Population 14 Years of Age and Over			Labour Force					Partici- pation Rate	Unemploy- ment Rate
	Total	Men	Women	Total	Men	Women	Em- ployed	Unem- ployed		
1968 December	1,027	521	506	613	411	202	595	18	59.7%	2.9%
1969 December	1,061	537	524	633	420	213	615	18	59.7%	2.8%
1970 November	1,093	554	539	643	429	214	609	34	58.8%	5.3%
1970 December	1,096	555	541	629	424	205	594	36	57.4%	5.7%

Source: Alberta Bureau of Statistics.

To upgrade the vocational proficiency of the Alberta labour force, Federal-Provincial cooperation has made possible a 'Training in Industry' program administered by the Canada Manpower Centre. Under the program, firms in various industries, including the clothing industry, may set up training programs. If the training program is approved, all direct expenses related to the training program are paid by the Canada Manpower Centre. In addition, the firm will be paid directly a subsidy equivalent to 50 per cent of the trainee[s weekly salary. The maximum subsidy is $110 per trainee per week.

FREIGHT RATES

The freight rate for nylon hosiery and nylon yarn from Toronto to Calgary or Edmonton is $4.16 per c.w.t. with a minimum of 36,000 pounds. If large quantities of nylon yarn were to be shipped to Alberta, however, a lower rate could undoubtedly be negotiated. Good transportation facilities exist throughout western Canada for distribution of the finished product. Also, should an Alberta manufacturer wish to penetrate any portion of the eastern Canadian market, relatively low rates can be obtained on trucks backhauling to the east. Generally speaking, these backhaul rates amount to about 50 per cent of the rate applied when shipping to the west.

A P P E N D I X

[illegible]

(Filed April 7, 1970)

THE ALBERTA LABOUR ACT

(O.C. 588/70)

Approved and Ordered

GRANT MacEWAN,
Lieutenant Governor.

Edmonton, April 6, 1970.

Upon the recommendation of the Honourable the Minister of Labour, dated March 25, 1970, the Executive Council advises that the Lieutenant Governor in Council, pursuant to section 24 of The Alberta Labour Act, hereby approves the Order made by the Board of Industrial Relations in accordance with the Appendix attached hereto, being Board of Industrial Relations Order No. 39(1970) Governing Minimum Wages in the Garment Industry.

A. O. AALBORG (Acting Chairman).

APPENDIX

BOARD OF INDUSTRIAL RELATIONS ORDER NO. 39(1970) GOVERNING MINIMUM WAGES IN THE GARMENT INDUSTRY

1. In this Order,

(a) "Garment Industry" means all work in connection with the manufacturing from cloth of wearing apparel;

(b) "inexperienced employee" means a female employee who has had less than eight weeks employment in the Garment Industry.

2. This Order applies to all inexperienced employees employed in the Garment Industry and to their employers.

3. The Board, on the application of an employer, may issue a permit to the employer permitting the employer to pay wages to inexperienced employees at a rate less than the minimum wage.

4. Where a permit is issued under the provisions of section 3 the employer shall not pay an inexperienced employee wages less than

(a) on and after June 1, 1970

(i) $1.15 for the first four weeks the employee is engaged in the Garment Industry,

(ii) $1.30 for the second four weeks the employee is engaged in the Garment Industry.

(b) on and after October 1, 1970

(i) $1.30 for the first four weeks the employee is engaged in the Garment Industry,

(ii) $1.45 for the second four weeks the employee is engaged in the Garment Industry.

5. The total number of inexperienced employees employed by the employer shall not exceed 25% of the total number of employees of the employer engaged in the Garment Industry except where the total number of employees is less than four, one inexperienced employee may be employed.

6. Permits issued under Board of Industrial Relations Order No. 39(1967) Governing Minimum Wages in the Garment Industry shall be deemed to be permits issued under this Order and subject to this Order.

7. Alberta Regulation 394/67 being Board of Industrial Relations Order No. 39(1967) Governing Minimum Wages in the Garment Industry is rescinded.

8. This Order comes into force on June 1, 1970.

Dated at the City of Edmonton, in the Province of Alberta, this 17th day of March, 1970.

R. B. d'ESTERRE, Chairman.
H. C. FRENCH, Secretary.

ALBERTA REGULATION 95/70

(Filed April 7, 1970)

THE ALBERTA LABOUR ACT

(O.C. 589/70)

Approved and Ordered,
GRANT MacEWAN,
Lieutenant Governor. Edmonton, April 6, 1970.

Upon the recommendation of the Honourable the Minister of Labour, dated March 25, 1970, the Executive Council advises that the Lieutenant Governor in Council, pursuant to sections 19 and 24 of The Alberta Labour Act, hereby approves the Order made by the Board of Industrial Relations in accordance with the Appendix attached hereto, being Board of Industrial Relations Order No. 34(1970) Governing Hours of Work and Minimum Wages in the Ambulance Industry.

A. O. AALBORG (Acting Chairman).

APPENDIX

BOARD OF INDUSTRIAL RELATIONS ORDER NO. 34(1970)
GOVERNING HOURS OF WORK AND MINIMUM WAGES
IN THE AMBULANCE INDUSTRY

1. This Order shall apply to all employees employed solely as ambulance drivers or attendants and to their employers.

2. Employees shall be exempt from the provisions of section 12 of The Alberta Labour Act to the extent of permitting the employees to work a maximum of

(a) 10 hours in a day, and

(b) 60 hours in a week.

3. Employees and employers shall be exempt from the provisions of section 6 of Alberta Regulation 364/69 being Board of Industrial Relations Order No. 1(1970) Governing Minimum Wages to the extent of permitting employees to work on a straight time basis up to